



• **Board of Directors**
Water Planning and Resources Committee

January 11, 2000 Board Meeting

10-6

Subject

Recent Events Affecting the State Water Project Operations

Description

Recent news accounts have reported a serious crisis in the operations of the State Water Project (SWP) and federal Central Valley Project (CVP), arising from a combination of natural circumstances and federal regulatory actions to protect fisheries. This memorandum summarizes recent events in the Delta and actions which I have directed staff to take in an effort to help the CALFED agencies better manage such circumstances in the future.

Chronology

This most recent crisis in the management of the Delta began on November 26 when federal regulators ordered the continuous closure of the Delta cross channel (DCC). (Attachment 1). The DCC is located in the north Delta and channels higher quality Sacramento River water into the central Delta to protect water quality for in-Delta users and for Delta exporters, such as Metropolitan. Closure of the DCC gates is an important fishery management tool because it helps keep juvenile salmon migrating to the ocean in the Sacramento River and out of the central Delta where available evidence suggests that their survival rate is lower. However, extended closure of the DCC cuts off higher quality water from the central Delta and water quality predictably deteriorates as lower quality flows from the San Joaquin River and seawater intrusion increasingly dominate the water profile. This requires balancing between fishery protection and water quality objectives, which has been noticeably lacking in recent weeks.

As the attached chronology illustrates, during the past month the federal fishery agencies focused almost exclusively on actions to protect fisheries, citing controversial interpretations of their authority under Section 3406(b)(2) of the Central Valley Project Improvement Act, despite repeated concerns that these actions could impose unacceptable risks to water quality and reliability. Eventually, the continuous closure of the DCC contributed to a serious degradation of Delta water quality. This required, in turn, that the projects dramatically reduce pumping to as low as 1,500 cfs in order to avoid violating water quality standards which are part of the SWP and CVP water rights permits. Ultimately, the chain reaction resulted in greater impacts than the regulatory agencies had initially contemplated.

Consequences

These federal regulatory actions could have significant negative impacts on water quality and supply reliability. The actions have had a significant impact on water quality, resulting in the worst water quality conditions in the Delta since 1977, the driest year of record in California. At the present time, the projects remain at risk of violating water quality standards in the Delta. Water quality conditions in the Delta would have been degraded due to record high tides and dry hydrology in any event, however, the mandated measures clearly exacerbated an already challenging situation.

These actions have resulted in further drawing down of San Luis Reservoir. Last summer, in order to protect Delta smelt, the federal agencies restricted exports, requiring the projects to reduce San Luis storage by more than 500,000 AF. Since that time, about 38,000 AF of the regulatory storage deficit has been recovered. Instead of continuing the recovery of San Luis storage, recent regulatory actions are projected to reduce storage by an additional amount of about 210,000 AF of the SWP share of San Luis Reservoir and 140,000 AF of the federal share. On balance, these two fishery protection episodes in 1999 have created a "hole" in San Luis Reservoir of

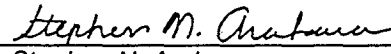
more than 800,000 AF as we enter year 2000. As a consequence, the filling of the reservoir will be significantly delayed and there is some risk that the reservoir will not fill before the high demand months later in the water year. This will translate into supply risks for the San Joaquin Valley agricultural economy and the Santa Clara Valley urban economy, and could affect Metropolitan's efforts to begin the fill of Eastside Reservoir.


For whatever reasons, decisions during late 1999 were overly focused on a single purpose, protecting fisheries, and did not produce balanced outcomes protecting water quality and supply reliability. To help assure that CALFED learns from this experience and develops a more comprehensive and balanced decision-making process, I have requested that Deputy General Manager Timothy Quinn continue to coordinate staff's implementation of the Board's CALFED policies, and to further coordinate staff in taking the following actions:

- Request that the CALFED agencies immediately develop a recovery plan for water quality in the Delta and San Luis Reservoir storage;
- Request that the Assembly Water, Parks, and Wildlife Committee, the Senate Agriculture and Water Resources Committee, and the State Water Resources Control Board conduct inquiries regarding how decisions were made which resulted in reductions in water quality and supply reliability;
- Encourage Governor Davis and Secretary Babbitt to convene a work group of CALFED and stakeholder representatives to develop recommendations for a decision-making protocol which assures more comprehensive and balanced considerations earlier in the process; and
- Identify and support adequate resources for fisheries monitoring data to support real time decisions on DCC closures and other aspects of project operations.

Policy

CALFED Bay-Delta Policy Principles approved by the Board in August 1999.

 12/27/99
Stephen N. Arakawa Date
Acting Manager, Water Resource Management

 12/28/99
General Manager Date

Attachment 1

Attachment 1**CHRONOLOGY OF RECENT EVENTS IN DELTA OPERATIONS**

November 26: DCC closed to protect spring run salmon and conduct an experiment on salmon survival; DWR warns of possible water quality impacts, particularly given projected tidal conditions

December 1: Salinity profile indicators (monitored to track potential water quality concerns) suggest a high likelihood of violations of salinity standards without a change in operations

December 6: All salinity profile indicators now equal or exceed warning levels; DWR urges immediate opening of DCC on intermittent basis to take advantage of favorable tidal conditions and manage salinity concerns; federal regulators refuse due to concerns regarding salmon survival

December 8: CALFED agencies decide to substantially reduce exports and increase reservoir releases; DCC remains closed over objections of DWR and water supply stakeholders

December 9: Secretary Babbitt sends letter to Governor Davis defending federal actions taken under Central Valley Project Improvement Act (CVPIA)

December 10: Because of water quality degradation in the delta caused by DCC closure, SWP and CVP exports are reduced to about 4,000 cfs total; northern and southern urban representatives meet with Secretary Babbitt in Washington, D.C. expressing serious concerns over water quality degradation and urging a more balanced approach

December 13: As water quality continues to deteriorate, exports are reduced to 1,500 cfs to avoid violation of salinity standards incorporated in SWP and CVP water rights permits; regulatory agencies agree to limited openings of DCC

December 14: DCC opened for 5 hours, from 9:00 AM to 2:00 PM

December 15: Secretary Babbitt meets in Sacramento with urban, agricultural, and environmental stakeholders to gather information about current conditions; DWR projects violations of salinity standards due to extended closure of DCC and expectation of highest tidal conditions in 133 years; regulatory agencies agree to open DCC continuously; pumping to increase gradually to 4,000 cfs depending upon salinity conditions

December 17: Monitoring reveals no significant water quality improvement in delta; pumping ramp-up delayed until water quality conditions improve